

# Romania's protests and the PSD: Understanding the deep malaise that now exists in Romanian society



*Anti-government protests in Romania have made international headlines, with over 400 people left injured following clashes between protesters and police on 10 August. [Dennis Deletant](#) writes that the protests are a symptom of a growing malaise in Romanian society fostered by the ruling Social Democrats that is estranging the citizen from the state.*

Massive anti-government protests, held in Bucharest and in other major cities in Romania on 10 August and involving more than 150,000 people, have, for the second time in the last eighteen months, thrown Romania into the international spotlight. They followed nationwide demonstrations in [February 2017](#) against the ruling Social Democratic Party (PSD) and its leader Liviu Dragnea, and their attempts to undermine the rule of law and the fight against corruption.

Most Romanian politicians do not distinguish between the public and private purse. In its [Corruption Perception Index for 2017](#), where the position 1 represents the *least* corrupt state, Transparency International ranked Romania joint 59th with Greece (out of 180 countries), up from 58th place the previous year but lower than Hungary (66) and Bulgaria (71) among European Union members. The spark for last year's protests, the largest seen in Romania since the revolution, was the furtive issue of an executive order – it did not go through parliament – to decriminalise misconduct by public officials causing damage worth less than \$48,000. It opened the PSD to the charge that it was not a party that represented the interests of disadvantaged social groups and the working class, but one for corrupt oligarchs and bureaucrats. In effect, the PSD government, it can be argued, was seeking to legalise corruption, transforming its *de facto* status into a *de jure* one.

The government quickly rescinded the measure, only to continue its attack on the rule of law with a new Justice Reform Bill, introduced by the government at the beginning of September 2017, that attracted widespread criticism, both within Romania and from the United States and EU. One key change was that the Attorney General and the heads of the National Anti-Corruption Directorate (DNA), and the Directorate for Investigating Organized Crime and Terrorism (DIICOT), would in future be appointed by the Higher Magistrates' Council (CSM) on the proposal of the Justice Minister. Previously, they were appointed by the CSM on the proposal of the President. Experts on the rule of law warned that the proposals in the bill might place serious limits on the independence of prosecutors.

The European Commission renewed its criticism of the proposed reform of the justice system. A [joint statement](#) released in Brussels on 24 January 2018 by European Commission President Juncker and First Vice-President Timmermans "on the latest developments in Romania" warned:

'We are following the latest developments in Romania with concern. The independence of Romania's judicial system and its capacity to fight corruption effectively are essential cornerstones of a strong Romania in the European Union. The Commission calls on the Romanian Parliament to rethink the course of action proposed, to open up the debate in line with the Commission's recommendations and to build a broad consensus on the way forward.'

The Commission reiterates its readiness to cooperate with and support the Romanian authorities in this process. The Commission again warns against backtracking and will look thoroughly at the final amendments to the justice law, the criminal codes and laws on conflict of interest and corruption to determine the impact on efforts to safeguard the independence of the judiciary and combat corruption.'

The Commission's warning fell on deaf ears. Dragnea's thirst for power has embroiled him in several corruption scandals. In April 2016, he was given a [two-year suspended sentence](#) for attempting to rig a 2012 national referendum calling for impeachment of the President, Traian Băsescu, a conviction that prevented Dragnea from becoming Prime Minister. On 13 November 2017, the DNA announced that it had charged Dragnea and the heads of a construction company *Tel Drum* with embezzlement in 2001 of EU funds granted for road improvements in Dragnea's home county of Teleorman. The DNA's press communiqué stated that it was [acting on a dossier](#) compiled and presented by OLAF, the European Anti-Fraud Agency, on 30 September 2017. Most recently, on 21 June of this year, Dragnea was [convicted](#) over a fake jobs scandal and sentenced to three-and-a-half years in jail. On 4 July, Parliament passed the Justice Reform Bill into law [amidst the protest](#) of President Klaus Iohannis. Only five days later, Iohannis was forced by the PSD and its allies in parliament to sack the head of the DNA, [Laura Codruța Kovesi](#).

These developments served to add fuel to the street protests. They were organised by the Romanian diaspora who returned to the country in large numbers during the holiday month of August. In Bucharest, the protests started peacefully but later led to violent clashes between the police and some demonstrators who attempted to break through the police barricades surrounding the government headquarters. The heavy-handed police response, involving the use of tear-gas, pepper spray, and a water cannon, left 452 people injured, of whom seventy were hospitalised, including three gendarmes. The Austrian Chancellor Sebastian Kurz [condemned](#) the 'violent confrontations in Bucharest, at which numerous protesters and journalists were injured'. For her part, Romania's Prime Minister, Viorica Dăncilă, sent a letter to Jean-Claude Juncker in which [she alleged](#) that other politicians, including Romanian President Klaus Iohannis, had tried 'to violently remove a legitimate government.'

## Romania and the PSD

That legitimacy rests on the ironic fact that the PSD has been the most successful party at the polls since the revolution. The party's success can be explained by a number of factors. First, it inherited the organisational base of the Communist Party. Second, it can rely on a core electorate, constituted largely of peasant farmers with a low income and pensioners. Almost one-third of Romania's population is made up of peasants. Their status is [described](#) by Alina Mungiu, a prominent political analyst, in the following words: 'seven million peasants, who barely reach subsistence levels, have no idea of the difference between the political right and left... and pose a development problem not just for Romania, but for the European Union in general. It is hard to believe that by the twenty-first century the peasant problem in Romania had not only remained unsolved, it had actually been recreated close to its historical original, in spite of the efforts to eliminate rural underdevelopment'.

The PSD has attempted to alleviate the poverty level by raising pensions and by tempting their electorate with free food and drink during elections. These measures enable it to consistently poll some three million votes in parliamentary elections, indeed in the 2016 elections it received 45% of the popular vote, whereas the opposition parties struggle to even approach that figure. And without an organised and united opposition, the PSD is likely use parliament to manipulate the law in an effort to keep Dragnea out of jail.



Liviu Dragnea, Credit: [Partidul Social Democrat](#) (CC BY 2.0)

On the economic front, a positive factor is that Romania registered the highest economic growth in the EU in the first quarter of 2017, with a GDP growth of 5.6 percent compared with the same period of 2016, according to flash estimates published by Eurostat, the statistics office of the EU. The country has a significant domestic consumption base, with the largest consumer market in South East Europe. Growth in 2017 was fuelled by strong private consumption, which more than compensated for a slowdown in fixed investment and deteriorating exports. However, there are vulnerabilities in the economy. Investment, both private and public, fell significantly over the early months of 2017 and foreign investment was down 20% compared with the same period last year. While GDP increased, so, too, did government debt.

Major obstacles in the path of Romania's progress towards economic development and bureaucratic efficiency are administrative weakness, a lack of professionalism and widespread incompetence in the public domain. In late November 2012, the EU delivered [stinging criticism](#) of Romania's inability to access EU funds. Romania took up little more than 12 percent of the 19.6 billion euros in EU Structural and Cohesion funds it was eligible to receive in the 2007-13 budget cycle. In autumn 2012, the Romanian government suspended EU programmes meant to modernise the country's infrastructure and Romania permanently lost funding amounting to 200 million euros for its inability to submit viable projects in time. This failure to take advantage of EU money obviously slows down the implementation of measures required under the *acquis communautaire*.

Under the EU budget for 2014-2020, agreed in Brussels on 8 February 2013 and capped at €960 billion, Romania is set to receive €21.8bn, some €2bn more than it received in the period 2007-2013. Romania will also receive €17.5bn in funds for agriculture in 2014-2020 under the common agricultural policy, up from €13.8bn in 2007-2013. However, Romania's absorption of European money under the 2014-2020 financial framework stood at 0.98 percent at the end of November 2016, while the average rate recorded in the European Union reached 2.6 percent, according to [Dragoș Dinu](#), the minister of EU funds in the Romanian government.

### Romania's geostrategic importance

To set against the debit column of its record, the PSD can point to the reality that Romania sits firmly within the strategic interests of the US and the EU. That strategic interest is linked to the emphasis placed by the United States and the EU on the rule of law. Failure to respect it and widespread corruption pose a danger to the internal cohesion and stability of the state, a danger underlined by Romania's NATO and EU partners. The country's location in South-Eastern Europe, on Ukraine's border, makes it a strategic ally for the US. The Dniester River is 80 kilometres from Odessa, the main port on the Black Sea for Ukraine. The Prut River is about 300 kilometres from Bucharest.

Between these two rivers sits one of Romania's neighbours: Moldova. Moldova is an area of competition between Russia on the one hand, and the European Union and NATO on the other. In Western hands, Moldova threatens Russia's security interests in the Black Sea. In Russian hands, Moldova threatens Bucharest. For Russia, military operations in Moldova and the breakaway territory of Transnistria would be more complicated than in Crimea given the distance from the Russian mainland and the need to fly through Ukrainian or Romanian airspace to resupply troops in Transnistria. This need would be obviated should Russia control Odessa and the area bordering upon the northern arm of the Danube, bringing it to the frontier both of Transnistria and Romania.

The credible security guarantees sought by Romania from the United States are inherent in the US-Romania Security Partnership. The US uses Mihail Kogălniceanu Air Base, which is on Romania's Black Sea coast, approximately 15 miles from downtown Constanța, the country's largest port and second largest city. The airport has a 3,500 metre (11,482 foot) runway, which is key for hosting large military transport and tanker aircraft.

In 2003, Mihail Kogălniceanu became one of four Romanian military facilities that were used by U.S. military forces as a staging area for the invasion of and ongoing counter-insurgency efforts in Iraq. It became one of the main operating bases of U.S. Army Europe's Joint Task Force East, a rotating task force initially provided by the U.S. 2nd Cavalry Regiment. The base is also [alleged](#) to have been one of the "black sites" where terrorist suspects were interrogated in the CIA's network of extraordinary rendition facilities.

In 2010, a Black Sea Rotational Force (BSRF) was established on the initiative of the US with the purpose of forming a Security Cooperation Marine Air-Ground Task Force. The BSRF Rotational is an annual multilateral security cooperation activity between the U.S. Marine Corps and partner nations in the Black Sea, Balkan and Caucasus regions designed to enhance participants' collective professional military capacity, promote regional stability and build enduring relationships with partner nations. Some 350 Marine Corps and U.S. Navy personnel of BSRF operate as a Special-Purpose Marine Air-Ground Task Force. The biannual rotation of Marines and sailors with BSRF, conducted under the US European Command (EUCOM), is centred around the Mihail Kogălniceanu airbase.

As a sign of its strong commitment to the NATO alliance, Romania signed an agreement with the US on 13 September 2011 to station a ballistic missile defence system at the Deveselu air base near Caracal, some 150km (90 miles) to the south-west of Bucharest. The system employs the SM-3 interceptor (also referred to as the 'Aegis Ashore System'). The base was commissioned on October 10, 2014 and the system became operational (i.e. it was integrated into the NATO ballistic missile defence system) on 12 May 2016.

Romania is among five other NATO countries that have stepped up their military outlay to meet the requirement – pushed by US president Donald Trump – of spending two percent of GDP on defence. The procurement of the *Patriot* missile system, [announced](#) in October 2017, will contribute to Romania meeting that NATO target. The agreement with US defence firm Raytheon, worth 3.9 billion euros, was [signed](#) on November 29, 2017. Defence minister Mihai Fifor announced at the same time that a second military deal was under negotiation under which General Dynamics, another US defence contractor, would make *Piranha V* armoured fighting vehicles at Romania's state-owned Bucharest Mechanical Factory.

### **A deep malaise in Romanian society**

The deepening integration of Romania into NATO is offset by the fact that good government still eludes Romania. The failure of the political class, and in particular of the ruling PSD, to align actions with the values of the EU, has serious economic and social consequences for the country. A clear sign of the lack of confidence in the future amongst young Romanians is the scale of emigration. More than [3.4 million](#) of the country's twenty-two million citizens left Romania between 2007 and 2017, some 17% of the population, the second greatest number of emigrants after Syria, and this from a country not torn by war.

Romania's resident population declined by 122,000 people in 2016, reaching 19.63 million as of 1 January 2017, according to data from the National Statistics Institute (INS). Of major concern is the [exodus of young people](#), those aged between 15 and 29. Their [numbers have fallen](#) by 28%, from 4.6 million in 2008 to 3.5 million in 2016. The scale of emigration has serious consequences for the country's budget and for the labour market, and thus economic growth. A net decline in the labour force affects tax returns to the state. At the same time, the continuing increase in the ratio of people in older dependent age groups relative to those in working-age groups increases the financial pressure on health and social security systems. Without effective measures to address these problems Romania's economic and social development will be hindered.

The August protests are a symptom of a growing malaise in Romanian society fostered by the PSD that is estranging the citizen from the state. Recent measures taken by the PSD to blur the separation of power between the government and the judiciary threaten to undermine democracy in the country and to weaken its capacity to remain a credible ally for NATO, and to respect the core values of the EU.

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*Note: This article gives the views of the author, and not the position of EUROPP – European Politics and Policy, nor of the London School of Economics.*

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